

Civil Air Patrol Board of Governors

1 March 2003 – 1:00 p.m.
Salon K
Crystal Gateway Marriott Hotel
Arlington, Virginia

Members Present

Mister Bruce P. Baughman, FEMA
Director, Office of National Preparedness

Colonel Robert Bess, CAP
Member-at-Large

Major General Richard L. Bowling, CAP
Civil Air Patrol National Commander

Mister Michael L. Dominquez
Assistant Secretary of the Air Force, Manpower and Reserve Affairs

Lieutenant General Nicholas B. Kehoe, USAF (Ret)
President, Medal of Honor Foundation
Chairman, Civil Air Patrol Board of Governors

Lieutenant General Ronald E. Keys, USAF
Headquarters, United States Air Force, Deputy Chief of Staff, Plans and Operations

Lieutenant General Donald A. Lamontagne, USAF
Commander Air University Maxwell Air Force Base, Alabama

Colonel Michael L. Pannone, CAP
Member-at-Large

Brigadier General Dwight H. Wheless, CAP
Civil Air Patrol National Vice Commander

Mister Bruce N. Whitman, Executive Vice President
Flight Safety International Incorporated

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Overview

CALL TO ORDER, Lieutenant General Nicholas B. Kehoe, USAF (Ret), Chairman, Civil Air Patrol Board of Governors, called the meeting to order. He welcomed all the members of the BoG present for this meeting, and noted there was a quorum. General Kehoe thanked the BoG members for their time and dedication to making decisions to help this organization fulfill its mission on behalf of a grateful nation.

THE CHAIRMAN also welcomed the members of Civil Air Patrol and guests who were able to attend this meeting of the Board of Governors. He noted that members of the National Board would soon have to depart in order to conclude their business meeting.

THE CHAIRMAN stated that the first order of business would be to elect the next chairman of the BoG. Continuing, he is quoted, “I think we have come a long way. We spent a lot of time on some rather tedious tasks in trying to establish how we would govern, what our rules of order would be, parliamentary procedures, etc. But, a lot of things happened in addition to that, to include 9-11 and Civil Air Patrol’s involvement in new missions that actually go back to its roots. I have always been most proud of the fact that I have had this wonderful feeling about the diversity of this group and that our members would lay it on the table the way they saw it—good honest brokers aimed at what is in the best interest of this organization that we represent. As we go forward, I would hope that we become more visionary in terms of how we can help this organization and use those same characteristics of diversity, honesty and openness I just mentioned.”

THE CHAIRMAN announced that effective today he has assumed the position of President of the Medal of Honor Foundation. He also announced that Mr. Bruce Baughman has relocated to Alabama and is currently advisor to the Governor for Emergency Management.

Major General Bowling, CAP, announced that effective this weekend at the National Board business meeting, Colonel William S. Charles, CAP was appointed National Inspector General.

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MINUTES

1. Election of the Board of Governors Chairman

Issue:

Election of a new chairman from amongst the four members of the Civil Air Patrol. Election will proceed based on procedures provided at this meeting.

Discussion:

BRIG GEN WHELESS, CAP, nominated MAJ GEN BOWLING, CAP, for the office of chairman of the Board of Governors.

MR. WHITMAN nominated COL BESS, CAP, for the office of chairman of the Board of Governors.

COL BESS, CAP, moved and MR. BAUGHMAN seconded a motion that the vote be executed by secret ballot.

THE MOTION CARRIED UNANIMOUSLY.

GEN KEHOE clarified that election of the next chairman is by a majority vote of the members present and voting.

Action:

COLONEL ROBERT BESS, CAP, WAS ELECTED CHAIRMAN OF THE BOARD OF GOVERNORS. Col Bess moved to the head of the table. He stated that it is a distinct honor and a privilege to be a member of the BoG and, especially to serve as chairman. This item is CLOSED.

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MINUTES

2. Election of the Board of Governors Vice Chairman

Issue:

Elect a vice chairman from amongst the members appointed by the Secretary of the Air Force. Election will proceed based on procedures provided at this meeting.

Discussion:

MR. BAUGHMAN nominated LT GEN NICHOLAS B. KEHOE, USAF (RET) for the office of vice chairman of the Board of Governors.

There were no other nominations.

Action:

BY UNANIMOUS VOTE, LT GEN NICHOLAS B. KEHOE (USAF-RET) WAS ELECTED VICE CHAIRMAN OF THE BOARD OF GOVERNORS. This item is CLOSED.

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MINUTES

3. Approval of Previous Meeting Minutes/Press Release

Issue:

Approval of BoG minutes distributed on 12 December 2002 and endorsement of the press release that followed the 3 December 2002 meeting of the BoG.

Discussion:

Two corrections were noted:

- (1) page 62, agenda item 8a.—change FEMA Region XI to VI.*
- (2) page 63, agenda item 8b—change Col Pannone's web site to: www.medallionfoundation.com*

LT GEN KEHOE, USAF (RET), moved and COL PANNONE, CAP, seconded a motion that the BoG approves the previous meeting minutes, as amended, and endorse the press release.

Action:

THE MOTION CARRIED UNANIMOUSLY. This item is CLOSED.

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MINUTES

4. CAP National Commander's Report

Issue:

Along with other mission oriented issues, Maj Gen Bowling, CAP, presented a briefing concerning items discussed and reviewed during the 17-18 January 2003 vision retreat in Atlanta, Georgia. See attachment 1 for the National Commander's update briefing.

Additionally, Col Anderson, USAF, presented a briefing from the CAP Strategic/Tactical Evaluation and Planning (STEP) committee. See attachment 2 for the STEP committee update briefing.

Discussion:

During discussions, LT GEN LAMONTAGNE, USAF, stated that he would like to see, in detail, the vision for Civil Air Patrol. BRIG GEN ANDERSON, CAP, highlighted the Strategic/Tactical Evaluation Program committee briefing that was presented at the National Board business meeting this weekend. MAJ GEN BOWLING noted that the National Board validated the recommendations, and they will be presented to the BoG for approval at a later meeting.

The chairman asked if it would be appropriate for the BoG to endorse the mission statement. It was noted that this is the first time the Board of Governors has seen these recommendations. The members would need more time and an opportunity to discuss the recommendations before endorsing them.

MR. DOMINGUEZ agreed that it is a valuable idea to have the strategic plan approved by the BoG at the next meeting. The staff should do some preliminary analysis on what would be involved in implementing all of the long-term objectives—the pros and cons to include costs. In regards to the corporate headquarters relocation plan, if approved, a political strategy should be developed in an effort to address concerns. Further, MR. DOMINGUEZ expressed interest in knowing if the pathways in communications channels are adequate so that civil agencies that respond to and coordinate disaster relief or homeland security activities know that Civil Air Patrol is available; know the connections that Civil Air Patrol has; and can reach out quickly to get Civil Air Patrol involved in the preliminary stages.

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MINUTES

4. CAP National Commander's Report

In discussing Civil Air Patrol's communications link to its customers, a draft catalogue that ensures potential customers know of CAP's capabilities and the costs involved was shown to BoG members. The requests and response activities will be coordinated through the Civil Air Patrol National Operations Center located at Maxwell Air Force Base. There was further discussion regarding the communications being developed in the homeland security arena. There was a suggestion that CAP needs to get involved with the National Imagery and Mapping Agency. There was a consensus of the BoG that it is important for Civil Air Patrol to be included on the checklists of potential customers.

For future meetings of the BoG, there was agreement that the CAP national commander will present an update on the activities of Civil Air Patrol.

Action:

This item is OPEN.

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MINUTES

5. Executive Director's Update

Issue:

Col Allenback, CAP, displayed the package that wing commanders took to Capital Hill on Thursday, as part of the legislative initiative. The package included the 2002 Annual Report to Congress and a copy of Today's *Officer* magazine. Since September, over four million readers have been reached through various magazines such as the *Air Force Magazine*, *Aviation Week*, and *Flying*, and other venues. He noted the National Aeronautics Association has awarded Civil Air Patrol the Brewer Trophy for excellence in aerospace education. This is the second time CAP has been cited for this honor. The Brewer Trophy will be presented in April at the National Congress on Aviation and Space Education in Cincinnati, Ohio.

Discussion:

None.

Action:

No action required. This item is CLOSED.

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MINUTES

5a. CAP Financial Report

Issue:

Col Allenback, CAP presented a financial briefing. See attachment 3 for the Executive Director's update briefing.

Discussion:

COL ALLENBACK, CAP, explained why the GAA aircraft, theoretically an Australian aircraft, was selected. The aircraft is built by Gippsland Aircraft Company and is a larger airplane with a comfortable workstation and a port for cameras or other sensors. It has a reciprocal engine and can carry up to eight people. While the aircraft is assembled in Australia, 90 percent of the aircraft parts are made in the United States. An initial order of six GAA aircraft is planned.

There was an inquiry as to why no funds were expended in FY02 for cadet flight orientations. COL ALLENBACK, CAP explained that the flights were projected in the CAP budget and the line item is zeroed out.

SUSAN EASTER, HQ CAP/FM, addressed concern regarding significantly higher conference expenses. She briefed that there were increased costs associated with region conferences, the National Congress on Aviation and Space Education and National Board. Additionally, a portion of the growth is due to the CAP 60th anniversary gala celebrated last year.

COL ALLENBACK, CAP stated that no monies have been used from CAP investment funds, but will in March when payment is due for the NASCAR marketing effort. After the \$1.5M due for the year, the Civil Air Patrol investment balance will be approximately \$3.5M.

Action:

No action required. This item is CLOSED.

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MINUTES

5b. National Headquarters Transformation Update

Issue:

Col Allenback, CAP updated the Board of Governors on current and future headquarters transformation actions. See attachment 3 for the Executive Director's update briefing.

Discussion:

None.

Action:

No Action required. This item is CLOSED.

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MINUTES

5c. Busch Series Marketing Platform Update

Issue:

Col Allenback, CAP, presented and addressed concerns regarding the NASCAR Busch Grand National series, potential sponsorships and other issues associated with the project Busch Series. See attachment 3 for the Executive Director's update briefing.

Discussion:

COL ALLENBACK, CAP, noted the dollar amount used as a metric for evaluating this program. He further annotated the value of media exposure (which for the 2002 racing year was \$4.7M), and the increase in CAP membership. There was acknowledgment that so far the revenues are low, and there is nothing in concrete for associate sponsorships. Further, the National Board voted to recommend to the BoG that, if substantial revenues are not recovered prior to the July 2003 deadline, the contract with Lewis MotorSports be terminated. If necessary, this recommendation will be included on the agenda for the next BoG meeting.

Action:

No action required. This item is OPEN.

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MINUTES

6a. Board of Governors Audit Committee

Issue:

Col Allenback, CAP, responded to a question about audits, stating that the single audit has just been completed. He will add an executive summary and forward to BoG members.

Discussion:

MR. DOMINGUEZ inquired with regard to corporate governance if the BoG should have an audit committee. MR. WHITMAN was in favor of the idea, recommending a small committee of three.

MR. DOMINGUEZ moved and MAJ GEN BOWLING, CAP, seconded a motion that the Board of Governors create an audit committee of three members to work with the executive director in reviewing the audit report with the auditors.

MOTION CARRIED UNANIMOUSLY.

Action:

The BoG approved the following members of the audit committee: Mr. Dominguez, Chairman; Mr. Whitman and Col Pannone, CAP. This item is CLOSED.

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MINUTES

6b. Advanced Technologies

Issue:

Col Drew Alexa, CAP, presented a slide briefing on advanced technologies, particularly as it pertains to homeland security.

Discussion:

None.

Action:

No action required. This item is CLOSED.

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MINUTES

6c. Complaints

Issue:

This subject line regarded complaints coming to the level of the Board of Governors.

Discussion:

LT GEN KEHOE, USAF (RET), provided background on the challenges of separating old complaints under a different complaint system, as opposed to dealing with current complaints (referring to a specific case that is about six years old). He felt that trying to deal with something of this nature detracted from the real business of the board, and that the board could no longer attempt to resolve the past and deal with old issues. He further stated that there is a process in place today that can deal with current complaints.

COL PANNONE, CAP, offered an opinion that the most important issue is a procedure for this kind of situation, and asked that the former CAP National Legal Officer be allowed to address BoG members. COL SIMMONS, CAP, briefed the provisions of the previous CAP complaint regulation.

LT GEN KEHOE, USAF (RET), inquired if the BoG members have any legal or substantive responsibility to deal with an issue predating the creation of the BoG by several years, and that has already been looked at more than once. In response, COL SIMMONS, CAP, expressed a belief that the BoG would be prudent in stating that the case has been dealt with; the issue is closed. MR. LIEBOWITZ, HQ CAP/GC agreed with COL SIMMONS comments.

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MINUTES

6c. Complaints (cont'd)

Discussion:

There was again clarification that there is a complaint process in place. Any complaints rising to the level of the BoG are by exception.

LT GEN KEYS, USAF, moved and LT GEN LAMONTAGNE, USAF, seconded a motion that the BoG forward appropriate communication to say that the members have looked at the case in hand, it was properly adjudicated and the case is closed.

MOTION CARRIED WITH TWO ABSTENTIONS (LT GEN KEHOE, USAF (RET) and MAJ GEN BOWLING, CAP).

Action:

The chairman tasked legal counsel and the executive secretary to create the correspondence approved by affirmative vote. This item is CLOSED.

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MINUTES

7. Next Meeting

Issue:

Board of Governors executive secretary recommended that the next meeting of the BoG be held on Tuesday, 5 June 2003.

Discussion:

COL PANNONE noted no specific complaint, but expressed a desire that sometime in the future the location of the BoG meeting be moved closer to Anchorage, Alaska.

The general concurrence of the members was a preferred date is 3 June 2003. Host hotel: any available in the general vicinity.

MR. MULLIN, HQ CAP/XP, stated that the Crystal Gateway Marriott Hotel and the Crystal City Marriott in Arlington, Virginia, are not available on 3 June 2003, but would be available on 4 or 5 June 2003.

The general concurrence of the members was that the preferred date of the next BoG meeting be on Tuesday, 3 June 2003, in the D.C. area.

Action:

This item is CLOSED.

Attachment 1
National Commander's Update



Agenda Item 4

**Civil Air Patrol
National Commander's Update
Maj Gen Bowling**

- ◆ **Safety**
- ◆ **Operation Vigilant Partner**
- ◆ **National Vision Retreat**

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Safety

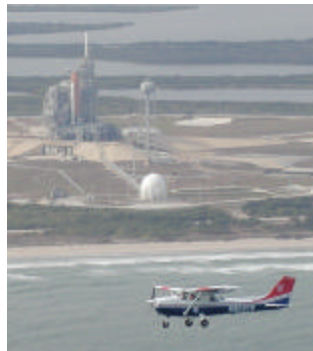
- ◆ **Zero accident rate FY03**
- ◆ **Safety Process Action Group (SPAG)**
- ◆ **Commanders' Sights on Safety**
- ◆ **CAP Safety Web page redesigned and expanded**
- ◆ **Major revision to CAPR 62-2**

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Operation Vigilant Partner

- ◆ **Florida Wing tasked for security support of STS-107**
 - ◆ **55 Sorties were flown from 8 to 15 January of 2003**
 - ◆ **Over 1500 man hours**
- ◆ **Commander of the 45th Space Wing praised Florida Wing's support and enthusiastic for future missions for CAP**



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Task Force Columbia



- ◆ NOC has been in regular contact with key agencies to coordinate our support
- ◆ As of 22 February, AZ, CA, NV, UT, TX, & NHQ personnel deployed supporting NASA Mishap Investigation Team
 - ◆ 468.4 hours flown
 - ◆ 191 Sorties
 - ◆ Over 8,000 man hours
- ◆ Expected to continue for several weeks

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National Vision Retreat

- ◆ Completed January 2003
- ◆ Objective: Create a shared strategic view
- ◆ Senior CAP and Air Force leaders held open candid discussions on cross cutting issues
- ◆ Addressed changes in safety and HLS mission
- ◆ Cornerstone was CAP's continuing commitment to Total Force concept

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Attachment 2
STEP Committee Update

Strategic/ Tactical Evaluation & Planning

CAP National Board Meeting
Washington DC
1 March 2003

*...mapping CAP's flight plan
into 21st century America*

What We'll Talk About

- **Why** Strategic Thinking & Planning?
- Emerging missions and the STEP process
- **Today's** CAP Strategic Plan (CSP) and the flight that lies **ahead**

Why Strategic Thinking and Planning?

- **Strategic Thinking** leads to **perspective**
 - Mission
 - Vision
 - Values
- **Strategic Planning** leads to **position**
 - Long-Term Objectives (LTOs)
- **Tactical Planning** leads to **performance**
 - Strategic Action Plans (SAPs)

STEP Leadership

Atlanta, 20-22 Sep 02

Chair	Col Richard L. Anderson
Members	Col H. David Brown Col William S. Charles Col Richard A. Greenhut Col Thomas L. Todd Col Robert T. Townsend
Advisor	Mr Don R. Rowland

NVR Leadership

Atlanta, 17-18 Jan 03

Maj Gen Richard L. Bowling	Col Richard A. Greenhut
Brig Gen Paul M. Bergman	Col Charles S. Glass
Col George C. Vogt	Col William S. Charles
Col Albert A. Allenback	Col Antonio J. Pineda
Col Larry D. Kauffman	Col Rex E. Glasgow
Mr Donnie R. Rowland	Col Thomas L. Todd
	Col Lynda C. Robinson
Brig Gen David E. Clary	Col Cornelius J. Flynn
Col Richard L. Anderson	Col Donald B. Angel
Maj James I. Macko	

The STEP Mission

“To create a **shared strategic view** for Civil Air Patrol by generating a **realistic** CAP Strategic Plan (CSP) based upon the CAP mission and vision statements.”

Subsidiary STEP Benefits

- Institutionalize CAP Strategic Planning
- Integrate long-, mid-, & short-term planning
- Develop innovative uses of CAP resources

CAP's Flight That Lies Ahead *Fusion of Planning Elements*

- **Phase 1:** 20-22 Sep 02: STEP Committee refined CSP
 - Defined by CAP leadership
 - Driven by the post-9/11 era
 - Delineated Homeland Security role for CAP
- **Phase 2:** 17-18 Jan 03: National Vision Retreat
- **Phase 3:** 1 Mar 03: NB reviews, approves, and makes recommendations on Mission, Vision, Values, and LTOs
- **Phase 4:** Spring 03: BOG approves CSP
- **Phase 5:** 1 Jul 03: Metrics development complete; CSP and metrics kick-off; marketing to our membership

Today's CSP *Consists of Five Parts*

- Mission
- Vision
- Values
- LTOs
- SAPs

CSP Pt 1: Our Mission (Old)

"To serve America by developing our nation's youth; performing local, state, and national emergency and humanitarian missions; and educating our citizens on the impact of aviation and space."

CSP Pt 1: Our Mission (New)

*"To serve America by performing **Homeland Security and humanitarian missions for our communities, states, and nation;** developing our **country's** youth; and educating our citizens on the **importance of air and space power.**"*

CSP Pt 2: Our Vision (Old)

"Civil Air Patrol, America's Air Force Auxiliary, building the nation's finest force of citizen volunteers-- performing Missions for America"



CSP Pt 2: Our Vision (New)

***“America's Air Force Auxiliary,
Civil Air Patrol,
building the nation's
finest force of
citizen volunteers--
performing
Missions for America”***



CSP Pt 3: Our Values

- Integrity
- Excellence
- Volunteer Service
- Respect

CSP Pt 4: Jan 03 LTOs

- Inculcate at all levels of CAP an absolute attitude of zero tolerance for substandard practices regarding the safety, health, and welfare of our members, customers, and assets
- Instill in all members a total devotion to discipline, compliance, and professionalism in matters of personal appearance, conduct, operational activity, and all other dimensions of CAP life
- Make CAP the “resource of choice” for public officials, agencies, and communities for HLS, SAR, DR, CD, and other missions
- Identify, seek, and secure multiple sources of additional funding to support sustained growth of CAP beyond the constraints of current funding sources

CSP Pt 4: Jan 03 LTOs

- Establish additional strategic partnerships with other public and private agencies and organizations to broaden the public services we provide to America
- Recruit, reward, and retain a select corps of motivated, highly trained, and well-led volunteers to perform Missions for America
- Maximize the use of advanced technologies in the conduct of training, standardization, and evaluation of our members
- Reaffirm and recommit ourselves to providing World-Class aviation and space education to our members and the general public
- Design, develop, and conduct marketing and advertising campaigns targeted to specific audiences

CSP Pt 4: Jan 03 LTOs

- Nurture and execute an acknowledged and respected CAP Cadet Program that develops the leadership, management, and ethical principles of American youth
- Establish unmistakable lines of authority, responsibility, and communications that are applied clearly, efficiently, and fairly at all levels of CAP
- Implement Quality-of-Life initiatives that provide our members with opportunities for meaningful and rewarding service to the Nation
- Fully integrate CAP into the Total Force as a valued and respected partner in a mix of Active, Guard, Reserve, and Auxiliary Components
- Establish CAP National Headquarters in the greater Washington DC metropolitan area and concurrently explore additional potential locations for other critical functions

Attachment 3
Executive Director's Updater



Agenda Item 5

Executive Director Update Col Allenback

- ◆ CAP Financial Report
- ◆ Headquarters Transformation Update
- ◆ NASCAR Marketing Platform Update

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Line of Credit

<u>Borrowed</u>		<u>Repaid</u>	
◆ 12/23/2002	\$500,000	01/28/2003	\$502,361
◆ Communications Equipment			
◆ Advance payments way ahead			

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FY02 Execution Report

<u>Corporate Budget</u>		<u>Budget Expended</u>	<u>%</u>
\$4,329,907		\$4,571,253	106
		(\$3,350,124 – payment for NASCAR Marketing)	
<u>Appropriated Budget</u>		<u>Budget Expended</u>	<u>%</u>
O & M	\$26,263,762	\$25,918,629	99
Aircraft (3 Yr)	\$2,563,000	0	0
Vehicles (3 Yr)	\$785,000	\$651,599	83
Comm. (3 Yr)	\$1,000,000	0	0

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FY03 CAP Budget

<u>Corporate Budget</u>	<u>Budget Expended</u>	<u>%</u>
\$4,598,451	\$993,724	22

<u>Appropriated Budget</u>	<u>Budget Expended</u>	<u>%</u>
O & M \$21,485,000	\$5,889,684	27
Aircraft (3 Yr) \$5,216,000	0	0
Vehicles (3 Yr) \$792,000	0	0

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CAP Investments

(As of 31 January 2003)

	<u>Cost</u>	<u>Market Value</u>	<u>Net Change</u>
<u>CAP Res. Funds</u>	\$1,417,757	\$1,238,645	(\$179,112) -12.63%
<u>CAP Unres. Funds</u>	\$4,423,635	\$3,740,703	(\$682,932) -15.44%
<u>Donor Res. Funds</u>	\$149,767	\$129,928	(\$19,839) -13.25%
<u>Totals</u>	\$5,991,159	\$5,109,276	(\$881,883) -14.72%

♦ S&P 500 currently down 22%

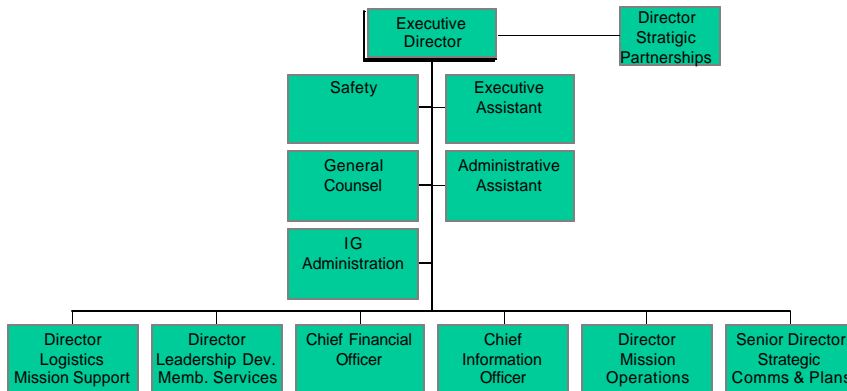
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National Headquarters Transformation Update

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Executive Director



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NASCAR Marketing Platform 2003 Initiatives

Associate Sponsorships

- ◆ Employer Support for the Guard and Reserve- In contracting
- ◆ ONDCP – Meeting 3 Mar
- ◆ Dallas AirMotive
- ◆ Marketing letter to 160 corporations

Program Enhancements

- ◆ Merchandise has CAP informational tag
- ◆ Show car will be available to units for recruiting efforts
- ◆ Web site redesigned – www.capracetteam.com
- ◆ Centennial of Flight Celebration – Memorial Day, Charlotte TBD
- ◆ Red Ribbon Week – October 2003

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